

ENGAGEMENT ADDENDUM Number 2
to
PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE
PUBLIC CLOUD HOSTING SERVICES
Administered by the State of Utah (hereinafter "Lead State")

STATE OF UTAH COOPERATIVE CONTRACT ("CONTRACT")
UNISYS Corporation
(hereinafter "Contractor")
Utah Contract Number: MA268

And

State of Washington, Department of Enterprise Services
(Participating Entity Contract Number: 01413)

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A. SCOPE OF USE: This Engagement Addendum covers the use of the Contract and Participating Addendum for eligible Buyers that are "state agencies" as that term is defined in RCW 43.41A.006(15) within the Participating State (each a "State Buyer"). This Engagement Addendum is not for personal use. Any capitalized term not defined herein shall have the meaning ascribed to it in either the Contract or the Participating Addendum.

B. INDIVIDUAL CUSTOMER: The individual state agency that purchases products/services under this Engagement Addendum will be treated as if they are an Individual Customer. Except to the extent modified below, each State Buyer will be responsible to follow the terms and conditions of the Master Agreement and the Participating Addendum; and they will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each State Buyer will be responsible for their own charges, fees, and liabilities. Each State Buyer will have the same rights to any indemnity or to recover any costs allowed in the Contract for their purchases. The Contractor will apply the charges to each State Buyer individually.

C. SCOPE OF ENGAGEMENT ADDENDUM: This Engagement Addendum only covers the use, licensing, or purchase by State Buyers of any PUBLIC CLOUD HOSTING SERVICES available under the Participating Addendum for Purchase Orders accepted by Contractor and that include a Statement of Work in which State Buyer data to be accessed, stored and processed in a PUBLIC CLOUD HOSTING SERVICE that has been classified by the State Buyer, and explicitly identified to Contractor in the SOW, as either Category 1 (Public Information) or Category 2 (Sensitive Information) as set forth in Section 4.1, *Data Classification*, of the Office of the Chief Information Officer Standard 141.10, *Securing Information Technology Assets*. Purchase Orders that include Category 3 (Confidential Information) or Category 4 (Confidential Information Requiring Special Handling) must be made under another engagement addendum under the Participating Addendum.

D. MODIFICATIONS OR ADDITIONS TO PARTICIPATING ADDENDUM TERMS AND CONDITIONS. The modifications or additions to the Participating Addendum Terms and Conditions set forth in this section apply only to Purchase Orders accepted by Contractor from State Buyers within the Participating State and within the scope of this Engagement Addendum as set forth above.

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1. The following is **added** to the end of the last sentence of the first paragraph of the section titled LIMITATION OF LIABILITY of the Contract:

OR ANY AMOUNTS OWED BY CONTRACTOR TO PARTICIPATING ENTITY AS A PARTICIPATING ADDENDUM ADMINISTRATION FEE.

2. The following is **added** after the first paragraph of the section titled LIMITATION OF LIABILITY of the Contract:

FOR THE PURPOSES OF THIS PARAGRAPH, "SERVICES DIRECTLY RELATED TO THE CAUSE OF ACTION" MEANS EITHER (i) ALL CONSULTING SERVICES, OR (ii) ALL PUBLIC CLOUD SERVICES, UNDER A PURCHASE ORDER OR RELATED STATEMENT OF WORK, THROUGH WHICH THE DAMAGE AROSE. IT DOES NOT MEAN THE SPECIFIC, ITEMIZED CONSULTING OR PUBLIC CLOUD SERVICE PROVIDED. FURTHER, THE PARTIES AGREE THAT SHOULD STATE BUYER'S CLAIM ACCRUE DURING THE FIRST TWELVE (12) MONTHS OF THE APPLICABLE PURCHASE ORDER/STATEMENT OF WORK, THE DAMAGES ALLOWABLE SHALL NOT EXCEED AN AMOUNT EQUAL TO THE CHARGES THAT WOULD HAVE BEEN PAID DURING THE FIRST TWELVE (12) MONTHS.

3. The last sentence of Section 2 of ATTACHMENT D to the Contract is hereby **deleted** and **replaced** with the following:

Subject to the Limitation of Liability provisions of the Contract, as modified by this Engagement Addendum, Contractor will be responsible for the loss of, or unauthorized access to, State Buyer's data and materials to the extent caused by Contractor and only: (1) where Contractor has assumed responsibility for security and backup of data under the applicable Statement of Work; or (2) where such loss or unauthorized access is the result of Contractor's gross negligence, or willful misconduct. State Buyer agrees that it will comply with all State of Washington data security policies.

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4. *Ownership/Rights in Data.* All parties agree that all State Buyer data shall be owned by State Buyer.

Material that is owned by Contractor and delivered by Contractor under this Addendum, but is not created under a Statement of Work under this Addendum ("Pre-existing Material"), shall be available to State Buyer (whether under a license or as a service as Contractor and State Buyer may agree in the applicable Statement of Work) for a mutually agreed upon period according to the applicable Statement of Work. Should the Statement of Work not specify a specific period, then Pre-existing Materials shall be available for the subscription period for the Services, plus a reasonable time for State Buyer to in-source the services or to transition to another provider.

Unless otherwise provided in a Purchase Order or Statement of Work, all materials provided by Contractor or a Provider under this Engagement Addendum, but not owned by Contractor, are Pre-existing Materials.

In the event a third party infringement claim is made against any Pre-existing Materials, Contractor will provide prompt, written notice of such claim to the State Buyer that Contractor, or Provider in the case of Provider's Pre-existing Materials, that Contractor or Provider supplies to all of its affected customers.

Where a Statement of Work expressly identifies deliverables developed specifically by Contractor or Provider for the State Buyer and to be owned by the State Buyer, ("Work Product") any such deliverables shall be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 et seq, and shall be owned by State Buyer. Upon payment in full for such Work Product, Contractor agrees to assign and transfer, to State Buyer, the entire right, title and interest in and to all rights in the Work Product developed by Contractor or Provider and any registrations and copyright applications relating thereto and any renewals and extensions thereof. Contractor shall execute all documents and perform such other proper acts as may be necessary to secure for the State Buyer the rights pursuant to this section.

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5. *Notices.* Contractor resells Provider's standard services under the Contract and this Engagement Addendum. Contractor shall not withhold any notices that Provider gives to its other resellers and customers in general, including any data breach notices or notices of legal process (requests on the Provider for the State Buyer's data). Notwithstanding Provider's notice policies as described below, Contractor will request Provider to, at a minimum, (a) provide written notice only where Provider knows State Buyer data was included in an unauthorized use, access, or disclosure, (b) that Provider will cooperate with State Buyer's reasonable requests in the investigation or mitigation efforts of State Buyer in response to such use, access, or disclosure, and (c) notify State Buyer of any unauthorized attempt(s) to access State Buyer data only where Provider knows that State Buyer data is the subject or target of such attempt. The State Buyer acknowledges that Contractor will also provide to the Participating Entity any links made available by the Provider from which State Buyers may access and review the Provider's then-current policies, including policies about notices, security standards, and auditing standards. The State Buyer acknowledges that the Provider may change its compliance documentation and certifications from time to time after which the State Buyer may terminate the Statement of Work for its convenience according to the Contract.

6. *Participating State Security Requirements.* Within thirty (30) days of Participating Entity's advance written notice, Contractor will request Providers of the Service(s) under a Statement of Work to provide full results or reports of the most recent third-party security audits or certifications for its Cloud Hosting Services (the "Security Policies") resold to a State Buyer under the applicable Statement of Work and this Engagement Addendum. Notwithstanding the foregoing, Contractor will request Providers to provide the following Security Policies, if Provider has such Security Policy (-ies), to Participating Entity: (i) ISO 27001 and 27002, (ii) the Auditing Standards Board's Statement on Standards for Attestation Engagements (SSAE) No. 16, and (iii) NIST Special Publication 800-53. Participating Entity will maintain and provide to State Buyers a list of each Provider and the Security Policies it has provided to the Participating State.

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E. PRIMARY CONTACTS: The primary contact individuals for this Engagement Addendum are the same as set forth in Section 5, *Primary Contacts*, in the Participating Addendum.

G. Reserved.

H. PRICE AGREEMENT NUMBER:

All purchase orders issued by purchasing entities within the jurisdiction of this engagement addendum shall include the Participating State contract number: 01413 and the Lead State price agreement number: MA268.

I. ENTIRE AGREEMENT:

This Engagement Addendum, the cited Participating Addendum and the Contract, together with their exhibits, and any Statement of Work under this Engagement Addendum shall set forth the entire agreement between State Buyer and Contractor with respect to the subject matter hereof and shall supersede and replace any preprinted terms and conditions contained in, and any additional or different terms of, any Purchase Order issued by the State Buyer. Nothing in this Engagement Addendum or the Participating Addendum shall prohibit a State Buyer and Contractor from entering into a Statement of Work that contains different or additional terms, and such Statement of Work shall have priority. However, the terms of any such Statement of Work will be binding only upon Contractor and the State Buyer that entered into such Statement of Work.

J. ORDER OF PRECEDENCE:

In the event of any inconsistency between the documents in or pursuant to this Contract, the inconsistency shall be resolved in the following order of precedence:

- 1) Applicable federal and state statutes, laws, and regulations;
- 2) A Statement of Work under this Engagement Addendum

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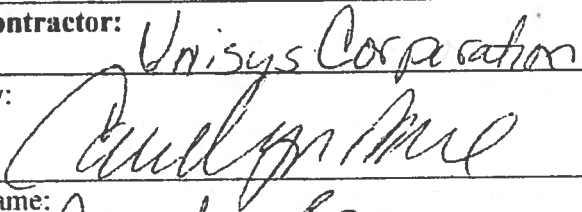
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- 3) This Engagement Addendum
- 4) The Participation Addendum;
- 5) The terms and conditions of Lead State Contract MA268 including its various attachments and exhibits.

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IN WITNESS WHEREOF, the parties have executed this Engagement Addendum as of the date of execution by both parties below.

Washington State Office of the Chief Information Officer:	Contractor:
By: 	By: 
Name: MICHAEL DEANGELO	Name: Carolyn Brace
Title: DEPUTY CIO	Title: Vice President/GM NA-TCLS
Date: 11/18/13	Date: 11/16/13